

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

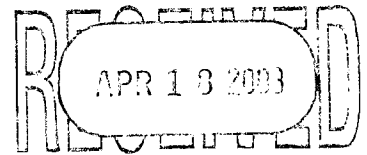
ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-03254A
Rancheros Bonitos Water Co., L.L.C.
14550 S. Avenue 4E
Yuma AZ 85365

ANNUAL REPORT

ARIZONA CORPORATION
COMMISSION



Director of Utilities

FOR YEAR ENDING

12	31	2002
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FOR COMMISSION USE

ANN 04	02
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*4-20-03
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*Entered
5/1/03
C.M.*

COMPANY INFORMATION

Company Name (Business Name) <u>Rancharos Bonitos Water Co</u>		
Mailing Address <u>14550 Ave 4E</u>		
<u>Yuma</u> (City)	<u>AZ</u> (State)	<u>85365</u> (Zip)
<u>928 726 4094</u> Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address _____		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>Don Scarborough</u>			<u>operator</u>
 (Name)	 (Title)		
<u>14550 Ave 4E</u> (Street)	<u>Yuma</u> (City)	<u>AZ</u> (State)	<u>85365</u> (Zip)
<u>928 726 4094</u> Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: _____			
 (Name)			
 (Street)	 (City)	 (State)	 (Zip)
 Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: _____
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: _____
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ **Sole Proprietor (S)**

☐ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☐ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co op (A)**

☐ **Receivership (R)**

☒ **Limited Liability Company**

☐ **Other (Describe)** _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☐ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☐ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☒ **YUMA**

☐ **STATEWIDE**

COMPANY NAME

Rancharos Pantoja Water Co ²⁰⁰²UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	50,000		50,000
304	Structures and Improvements	1,000	600	400
307	Wells and Springs	17,469	1650	16419
311	Pumping Equipment	4,850	2910	1940
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	9,695	5820	3875
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	2,025	1212	813
335	Hydrants	2500	1500	1000
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	3,000	1500	1500
341	Transportation Equipment	6521	1304	5217
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	100	60	40
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	97,160	15,956	81,204

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

*Rancheros Bonitos Water Co***CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	<i>50,000</i>		
304	Structures and Improvements	<i>1000</i>	<i>10%</i>	<i>100</i>
307	Wells and Springs	<i>17469</i>	<i>10%</i>	<i>175</i>
311	Pumping Equipment	<i>4850</i>	<i>10%</i>	<i>485</i>
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	<i>9695</i>	<i>10%</i>	<i>970</i>
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations	<i>2025</i>	<i>10%</i>	<i>202</i>
335	Hydrants	<i>2500</i>	<i>10%</i>	<i>250</i>
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	<i>3000</i>	<i>10%</i>	<i>300</i>
341	Transportation Equipment	<i>6521</i>	<i>10%</i>	<i>652</i>
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment	<i>100</i>	<i>10%</i>	<i>10</i>
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS			<i>3144</i>

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME Rancharos Bonito Water

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 454	\$
134	Working Funds	454.	3753
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	0	0
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	1380	355.
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	0	0
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 8350	\$ 4011.
	FIXED ASSETS		
101	Utility Plant in Service	\$ 75,775	\$ 64,242
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	12812	15956
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 84,348	\$ 21,207
	TOTAL ASSETS	\$ 84,348	\$ 81,207

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Renehekos Bonto Water

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)	\$17,200	\$16,550
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$17,200	\$16,550
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$0	\$
	TOTAL LIABILITIES	\$17,200	\$16,550
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	67,148	64,678
	TOTAL CAPITAL	\$67,148	\$64,678
	TOTAL LIABILITIES AND CAPITAL	\$84,348	\$81,228

COMPANY NAME

Ponchaes Santo Water

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$	\$
460	Unmetered Water Revenue	9,866.72	9,788.59
474	Other Water Revenues		
	TOTAL REVENUES	\$	\$
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 5,525-	\$ 5,950-
610	Purchased Water		
615	Purchased Power	4,264.47	4,110.77
618	Chemicals		
620	Repairs and Maintenance	2,011.67	3,716.83
621	Office Supplies and Expense		1,203.05
630	Outside Services		
635	Water Testing	800-	706.42
641	Rents	1,200	1,200
650	Transportation Expenses		
657	Insurance - General Liability		400.01
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	3,144	3,144
408	Taxes Other Than Income	539.42	574.56
408.11	Property Taxes	2579.33	1,114.82
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 20,604	\$ 21,720
	OPERATING INCOME/(LOSS)	\$	\$
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ 0	\$
	NET INCOME/(LOSS)	\$ <10,736>	\$ <11,921>

COMPANY NAME	Rancheros Bonito Water
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SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	10/5/98	3/29/01	12/01	12/02
Source of Loan				
ACC Decision No.				
Reason for Loan	Well Repairs	Cart		
Dollar Amount Issued	\$ 5,000	\$ 6,521	\$ 106,79	\$ 9,900-
Amount Outstanding	\$ 5,000	\$ 6,521	\$ 106,79	\$ 9,900-
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$	/
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Meter Deposits Refunded During the Test Year	\$	/
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COMPANY NAME

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
602959	7	250		8	4	

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
15,000	2	2000	1

COMPANY NAME

Rancharos Bonito

WATER COMPANY PLANT DESCRIPTION (CONTINUED)**MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	29	35169	
FEBRUARY	29	35169	
MARCH	29	35169	
APRIL	29	35169	
MAY	29	35169	
JUNE	29	35169	
JULY	29	35169	
AUGUST	29	35169	
SEPTEMBER	29	35169	
OCTOBER	29	35169	
NOVEMBER	29	35169	
DECEMBER	29	35169	
TOTAL		N/A	422,041

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes () No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes () No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. _____mg/l

(If more than one well, please list each separately)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Rancheros Bonitos

YEAR ENDING 12/31/2002

PROPERTY TAXESAmount of actual property taxes paid during Calendar Year 2002 was: \$ 1114.82

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

RANCHEROS BONITOS WATER COMPANY 1400 S. AVENUE 4E TUMACACI, AZ 85628		1964 Date <u>7-21-02</u>
Pay to the Order of	<u>Yuma County Treasurer</u>	<u>\$6,472.00</u>
<u>Four Thousand Four Hundred Seventy Two and 00/100</u>		
National Bank OF ARIZONA TUMACACI, AZ 85628		
For <u>902-70-124</u>	<u>Dr. Sabut</u>	
C12280532061964 0014013998		/0000064720/
7/29/02	1964	647.20 ✓

RANCHEROS BONITOS WATER COMPANY 1400 S. AVENUE 4E TUMACACI, AZ 85628		1986 Date <u>10-31-02</u>
Pay to the Order of	<u>Yuma County Treasurer</u>	<u>\$467.62</u>
<u>Four Hundred Sixty Seven and 62/100</u>		
National Bank OF ARIZONA TUMACACI, AZ 85628		
For <u>61364-902-70-124</u>	<u>Dr. Sabut</u>	
C12280532061986 0014013998		/0000046762/
11/06/02	1986	467.62

COMPANY NAME Rancheros Bonitos YEAR ENDING 12/31/2002

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE

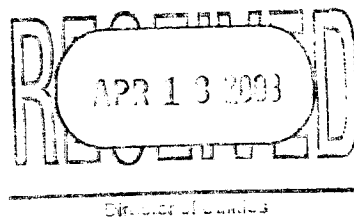
DATE

PRINTED NAME

TITLE

VERIFICATION AND SWORN STATEMENT

Intrastate Revenues Only



VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>Yuma</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Don Scarborough</u>
COMPANY NAME <u>Rancheros Bonitos Water Co.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 9788.54

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 630.48
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Don Scarborough
SIGNATURE OF OWNER OR OFFICIAL
(928) 726-4199
TELEPHONE NUMBER

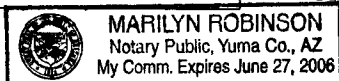
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th DAY OF

(SEAL)

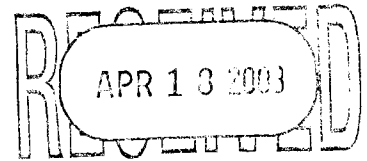


MY COMMISSION EXPIRES 06-27-06

COUNTY NAME <u>Yuma</u>	
MONTH <u>4</u>	20 <u>03</u>
<u>Marilyn Robinson</u> SIGNATURE OF NOTARY PUBLIC	

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Yuma</u>	
NAME (OWNER OR OFFICIAL) <u>Don Scarborough</u>	TITLE <u>OWNER</u>
COMPANY NAME <u>San Luis Border Water Co.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2002</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES <u>\$ 9788.59</u>
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(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 630.98
IN SALES TAXES BILLED, OR COLLECTED

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

14th

DAY OF

NOTARY PUBLIC NAME <u>Marilyn Robinson</u>	
COUNTY NAME <u>Yuma</u>	
MONTH <u>April</u>	20 <u>03</u>

(SEAL)



MY COMMISSION EXPIRES 06-27-06

X Marilyn Robinson
SIGNATURE OF NOTARY PUBLIC